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TAGS: ETRD EAGR PGOV JA
SUBJECT: JAPAN'S LEGISLATURE CONSIDERS BILL TO AVOID
RAISING AGRICULTURE TARIFFS

REF: 08 TOKYO 822

¶1. (U) Japan's Lower House is deliberating a bill to extend
for one year temporary tariff rates -- including beef and
pork tariffs -- that will otherwise expire March 31. This
same problem has occurred in previous years. Covering 417
tariffs in total, mostly for agriculture products, the bill
to revise partially the Customs Tariff Law would maintain
the current applied 38.5 percent tariff on beef rather than
allow it to rise to Japan's "bound" level of 50 percent.
The Diet has approved this "temporary" extension every year
since 2001, a necessary step to keep Japan's tariffs in
line with agreements reached during the Uruguay Round.

¶2. (SBU) Both the Lower and Upper House must approve the
bill before March 31 to ensure no disruption in current
tariff arrangements. Last year, the Upper House approved
the extension on the final day, a reflection of the tension
that exists between the Liberal Democratic Party-dominated
Lower House and Upper House, which is controlled by the
opposition Democratic Party of Japan. Agriculture Ministry
officials and others suggest the vote this year will
similarly come down to the wire, but expect the Diet to
approve the legislation by the March 31 deadline.
ZUMWALT